

State of South Dakota

EIGHTY-EIGHTH SESSION
LEGISLATIVE ASSEMBLY, 2013

175U0692

HOUSE BILL NO. 1228

Introduced by: Representatives Feickert, Feinstein, Hawley, Heinert, Hunhoff (Bernie),
Kirschman, Peterson, Schrempp, and Tyler and Senators Lucas and Frerichs

1 FOR AN ACT ENTITLED, An Act to give producers priority to recover on a bond seized by
2 the state from a public grain warehouse or grain buyer.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 Section 1. That chapter 49-45 be amended by adding thereto a NEW SECTION to read as
5 follows:

6 The commission shall distribute funds from a seized grain buyer's bond in the following
7 order:

8 (1) All claims made by producers shall be paid in full. If the seized bond does not satisfy
9 all claims, the bond shall be distributed to the producers at a proportional ratio;

10 (2) If there are funds remaining in the bond after all claims by producers are paid, all
11 other claims shall be paid. If the remaining bond amount does not satisfy all other
12 claims, the other claims shall be paid at a proportional ratio.

13 Section 2. That chapter 49-43 be amended by adding thereto a NEW SECTION to read as
14 follows:

15 The commission shall distribute the funds from a seized public grain warehouse bond in the



1 following order:

- 2 (1) All claims made by producers, as defined in § 49-45-1, shall be paid in full. If the
3 seized bond does not satisfy all claims, the bond shall be distributed to the producers
4 at a proportional ratio;
- 5 (2) If there are funds remaining in the bond after all claims by producers are paid, all
6 other claims shall be paid. If the seized bond does not satisfy all other claims, the
7 other claims shall be paid at a proportional ratio.